



U.S. Department  
of Transportation  
**Federal Transit  
Administration**

REGION IX  
Arizona, California,  
Hawaii, Nevada, Guam  
American Samoa,  
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MAY 17 2012

Mr. Daniel Grabauskas  
Executive Director and CEO  
Honolulu Authority for Rapid Transportation  
Alii Place, Suite 1700  
1099 Alakoa Street  
Honolulu, HI 96813

MAY 17 2012

Re: Honolulu High-Capacity Transit Corridor Project  
Request for a Letter of No Prejudice to Commence  
Precast Yard Activities

Dear Mr. Grabauskas:

The Federal Transit Administration (FTA) has completed its review of the letter from the Honolulu Authority for Rapid Transportation (HART), dated March 24, 2012, requesting a Letter of No Prejudice (LONP) to commence activities associated with the precast yard for the Honolulu High-Capacity Transit Corridor Project.

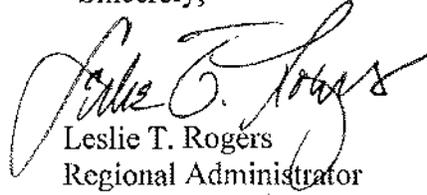
With this letter, FTA approves HART's request for an LONP in the amount of \$21.8 million to incur costs for the project as described in the request and retain eligibility of those expenditures for future Federal reimbursement. As with all pre-award authority, all Federal requirements must be met prior to incurring costs in order to retain eligibility of the costs for future FTA grant assistance. The authority to incur costs provided in this letter does not constitute an FTA commitment that future Federal dollars will be approved for this project.

In accordance with the Disadvantaged Business Enterprise (DBE) regulation and its requirements, HART should establish a specific program to ensure that small and minority owned businesses are included in the contracting opportunities presented in these pre-Full Funding Grant Agreement award activities for which HART would seek future reimbursement from FTA. While not an exhaustive list, FTA recommends that HART consider DBE participation in activities such as professional services, engineering, project management, design and construction. FTA expects that HART will provide an update on the commitments and awards of contracts to DBEs. HART must agree to carry out United States Department of Transportation policy to assist in creating a level playing field for small and minority business participation in a Federally-assisted capital project.

This LONP will expire five years from the date of this letter, or when FTA approves a Full Funding Grant Agreement for the Honolulu High-Capacity Transit Corridor Project, whichever occurs first.

Please call Ms. Catherine Luu at (415) 744-2730 with any questions you may have about proceeding under the authority to incur costs provided in this letter.

Sincerely,



Leslie T. Rogers  
Regional Administrator